

Economic Indicators

Employment continues to recover in September

October 9, 2020

Seasonally adjusted employment in the **Edmonton** census metropolitan area (CMA) continued to rise in September 2020, picking up by 3,800 positions month-over-month. Employment growth (unadjusted for seasonal factors) was concentrated in part-time positions, which saw a year-over-year gain of 4,500 in September. Employment levels across most sectors remained lower on a year-over-year basis in September despite some, albeit uneven, improvements. Unadjusted employment was about 62,500 positions lower in September compared to September 2019.

Edmonton's labour force saw a modest month-over-month reduction in September 2020 seasonally adjusted estimates, which brought the unemployment rate down by a full percentage point to 12.6 per cent when combined with the month-over-month employment gain. The region's labour force estimate includes those who are employed, as well as those who are unemployed but are actively looking for work.

Labour Force Survey Results—Edmonton CMA¹
Three-month moving average—seasonally adjusted

	Sept 2019	Aug 2020	Sept 2020	Month- over- month	Year- over- year	Month- over- month	Year- over- year
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1,189.8	1,211.6	1,213.1	1.5	23.3	0.1	2.0
Labour force	845.6	829.4	824.7	-4.7	-20.9	-0.6	-2.5
Employment	783.5	716.8	720.6	3.8	-62.9	0.5	-8.0
Unemployment	62.1	112.6	104.2	-8.4	42.1	-7.5	67.8
Unemployment rate (%)	7.3	13.6	12.6	-1.0	5.3
Participation rate (%)	71.1	68.5	68.0	-0.5	-3.1
Employment rate (%)	65.9	59.2	59.4	0.2	-6.5

Source: Statistics Canada, Table 14-10-0294-01

¹ Statistics Canada revised the Labour Force Survey seasonally-adjusted estimates for 2017 to 2019 using the latest seasonal factors.

The seasonally adjusted unemployment rate in the **Calgary CMA** matched Edmonton's at 12.6 per cent in September. The month-over-month reduction was a product of employment growth outpacing labour force growth.

Seasonally adjusted employment in **Alberta** gained traction in September, with an increase of 38,200 positions compared to the previous month. The monthly employment gain was primarily driven by full-time employment growth. Employment continued to recover across sectors on a month-over-month basis in September, though levels remained lower year-over-year. The finance, insurance, real estate, rental and leasing, health care and social assistance, and information, culture and recreation sectors were the only sectors where employment levels were higher in September year-over-year. Alberta's unemployment rate in September was 11.7 per cent², relatively unchanged from 11.8 per cent in August as the labour force saw month-over-month growth.

Employment growth in **Canada** picked up speed in September, with a net addition of 378,200 positions month-over-month and on a seasonally adjusted basis. Employment growth was more concentrated in full-time employment in September, rising by almost 2.3 per cent month-over-month. Gains were generally more evenly distributed between the goods- and services-producing sectors compared to previous months; however, employment levels in some industries remained significantly below their pre-COVID levels. The national unemployment rate came down to nine per cent in September from 10.2 per cent in August.

Significance

Though employment in the Edmonton CMA continued to rise in September, the gain was only a fraction of that seen in August. Nonetheless, employment appears to be recovering, with seasonally adjusted September employment levels at slightly more than 91 per cent of February's (pre-COVID) estimates.

The recovery in employment has not only been uneven across sectors, but between males and females. Year-over-year employment losses for females (-37,900) were greater than for males (-24,600) in September. As well, the unemployment rate for females in September was higher at 13.6 per cent compared to 12.3 per cent for males with a year-over-year change that almost doubled that of males. If this disparity in employment recovery continues, it could have longer term impacts on Edmonton's economic recovery post-COVID.

It is important to keep in mind that labour force data for the Edmonton region are three-month moving averages so monthly data estimates carry an even greater lag when it comes to assessing rapidly changing labour market conditions due to the COVID-19 pandemic. Provincial estimates can provide some early indication as to what to expect in monthly regional releases, which holds some promise given employment growth for the province picking up speed in September.

Limitations

Employment trends tend to lag developments in overall economic activity. Because of this, they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are still useful predictors of future changes in incomes and consumer spending. Statistics Canada publishes a three-month moving average of all labour force estimates for the Edmonton region, which sometimes results in the number of reported jobs lagging developments in the Edmonton region's economy.

² For direct comparability to the CMA unemployment rates, the three-month moving average for Alberta's unemployment rate was 12.1 per cent in September, down from 13.4 per cent in August.

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